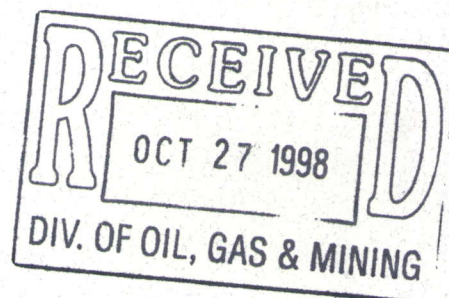


October 26, 1998

Mr. Tony Gallegos
Division of Oil, Gas and Mining
1594 West North Temple Ste. 1210
Salt Lake City, Utah 84114



Re: Tails Storage Facility Expansion, SF Phosphates LC, Vernal Phosphate Operation,
M/047/007, Uintah County, Utah - Submittal of Revised Plan of Operations to the BLM

Dear Tony:

SF Phosphates Limited Company is proposing to expand the current tails storage facility to provide storage for tailings for an additional 40 years. JBR Environmental Consultants, Inc. was retained to assist their effort by producing the attached revised Plan of Operations (POO) for the Bureau of Land Management (BLM) Vernal Field Office. This version dated September 15, 1998 supersedes a previous POO that was submitted to your office.

On October 6, 1998, the BLM responded to SF Phosphates that this POO is sufficient to allow the Environmental Assessment process to begin. BLM requested that your office receive a copy and that any correspondence with them should make reference to the serial number assigned to the plan - UTU 76097. If you have any questions, please call Ron Ryan at (435) 781-3348 or me at (801) 943-4144.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Thompson".

Tim Thompson, P.E.

encl

cc Ron Ryan, SF Phosphates
Peter Sokolosky, BLM